

UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

Market Test of Experimental Product-
Customized Delivery

Docket No. MT2014-1

CHAIRMAN'S INFORMATION REQUEST NO. 3

(Issued October 10, 2014)

To facilitate the Commission's evaluation of "market disruption" of the proposed Customized Delivery market test¹ under 39 U.S.C. 3641(b)(2), the Postal Service is requested to provide written responses to the following questions. Answers should be provided to individual questions as soon as they are developed, but no later than October 17, 2014.

1. The Notice states that "[t]he market test will begin on or shortly after October 24, 2014." *Id.* at 6. Please identify the geographic area where the market test will begin on or shortly after October 24, 2014.
2. In response to CHIR No. 1,² the Postal Service states that "Potential geographic areas for this market test are currently being evaluated." Please identify the "[p]otential geographic areas" that are currently being evaluated for this market test.³

¹ Notice of the United States Postal Service of Market Test of Experimental Product—Customized Delivery, September 23, 2014 (Notice).

² Responses of the United States Postal Service to Chairman's Information Request No. 1, question 1, October 8, 2014.

³ An adequate response to this question need not identify every geographic area where the Postal Service may offer the proposed market test. However, information on likely relevant markets is necessary for the Commission to evaluate "market disruption" under 39 U.S.C. § 3641(b)(2).

3. The Notice states that “The Postal Service does not expect this market test to have a significant impact on small businesses, as delivery of groceries and other prepackaged goods by small courier services and delivery firms already exists in the marketplace.” Notice at 5.
 - a. Please identify the “small courier services and delivery firms” that already exist and describe the geographic areas in which they offer delivery of groceries and other prepackaged goods.
 - b. Please describe the types of geographic areas where the market test is anticipated to be conducted (*i.e.*, a defined metropolitan area, rural area, etc.).
 - c. Please provide the prices charged by the “small courier services and delivery firms” listed in the response to paragraph 3(a) above.
4. This question concerns the request for exemption from the \$10 million revenue limitation. *Id.* at 7. The Commission may exempt a market test from the \$10 million revenue limitation if, among other things, the experimental product “is not likely to result in unfair or otherwise inappropriate competition.” 39 U.S.C. 3641(e)(2)(C). Please explain how the Customized Delivery product meets this requirement.⁴

By the Chairman.

Ruth Y. Goldway

⁴ For an example of the level of detail requested, please refer to Docket No. MT2013-1, Responses of the United States Postal Service to Chairman’s Information Request No. 1, question 3, October 25, 2012.